
HOUSE BILL No. 1218

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-22-2-37.1; IC 22-12; IC 22-13; IC 22-15.

Synopsis: Department of fire and building services. Allows the boiler and pressure vessel rules board to adopt national boiler and pressure vessel codes by emergency rule. Exempts temporary maintenance and repair structures from the building laws. Allows the agencies and board enforcing the fire safety, building, and equipment laws to impose a civil penalty not to exceed \$500. Changes the qualifications of the director of the division of plan review. Requires a regulated boiler or pressure vessel to be insured unless the vessel is owned by the state or an owner user inspection agency. Increases the surety bond requirement for an inspection agency from \$5,000 to \$100,000. Requires the boiler and pressure vessel rules board to adopt rules defining a regulated boiler and pressure vessel. Repeals a provision defining regulated boiler and pressure vessel. Makes other changes in the fire safety, building, and equipment laws.

Effective: July 1, 2003.

Grubb, Ruppel

January 8, 2003, read first time and referred to Committee on Commerce and Economic Development.

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Introduced

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

HOUSE BILL No. 1218

A BILL FOR AN ACT to amend the Indiana Code concerning labor and industrial safety.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-22-2-37.1, AS AMENDED BY P.L.120-2002,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2003]: Sec. 37.1. (a) This section applies to a rulemaking
4 action resulting in any of the following rules:

5 (1) An order adopted by the commissioner of the Indiana
6 department of transportation under IC 9-20-1-3(d) or
7 IC 9-21-4-7(a) and designated by the commissioner as an
8 emergency rule.

9 (2) An action taken by the director of the department of natural
10 resources under IC 14-22-2-6(d) or IC 14-22-6-13.

11 (3) An emergency temporary standard adopted by the
12 occupational safety standards commission under
13 IC 22-8-1.1-16.1.

14 (4) An emergency rule adopted by the solid waste management
15 board under IC 13-22-2-3 and classifying a waste as hazardous.

16 (5) A rule, other than a rule described in subdivision (6), adopted
17 by the department of financial institutions under IC 24-4.5-6-107

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and declared necessary to meet an emergency.

(6) A rule required under IC 24-4.5-1-106 that is adopted by the department of financial institutions and declared necessary to meet an emergency under IC 24-4.5-6-107.

(7) A rule adopted by the Indiana utility regulatory commission to address an emergency under IC 8-1-2-113.

(8) An emergency rule jointly adopted by the water pollution control board and the budget agency under IC 13-18-13-18.

(9) An emergency rule adopted by the state lottery commission under IC 4-30-3-9.

(10) A rule adopted under IC 16-19-3-5 that the executive board of the state department of health declares is necessary to meet an emergency.

(11) An emergency rule adopted by the Indiana transportation finance authority under IC 8-21-12.

(12) An emergency rule adopted by the insurance commissioner under IC 27-1-23-7.

(13) An emergency rule adopted by the Indiana horse racing commission under IC 4-31-3-9.

(14) An emergency rule adopted by the air pollution control board, the solid waste management board, or the water pollution control board under IC 13-15-4-10(4) or to comply with a deadline required by federal law, provided:

(A) the variance procedures are included in the rules; and

(B) permits or licenses granted during the period the emergency rule is in effect are reviewed after the emergency rule expires.

(15) An emergency rule adopted by the Indiana election commission under IC 3-6-4.1-14.

(16) An emergency rule adopted by the department of natural resources under IC 14-10-2-5.

(17) An emergency rule adopted by the Indiana gaming commission under IC 4-33-4-2, IC 4-33-4-3, or IC 4-33-4-14.

(18) An emergency rule adopted by the alcohol and tobacco commission under IC 7.1-3-17.5, IC 7.1-3-17.7, or IC 7.1-3-20-24.4.

(19) An emergency rule adopted by the department of financial institutions under IC 28-15-11.

(20) An emergency rule adopted by the office of the secretary of family and social services under IC 12-8-1-12.

(21) An emergency rule adopted by the office of the children's health insurance program under IC 12-17.6-2-11.

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(22) After December 31, 2003, an emergency rule adopted by the office of Medicaid policy and planning under IC 12-17.7-2-6 to implement the uninsured parents program.

(23) An emergency rule adopted by the office of Medicaid policy and planning under IC 12-15-41-15.

(24) An emergency rule adopted by the boiler and pressure vessel rules board under IC 22-13-2-8(c).

(b) The following do not apply to rules described in subsection (a):

(1) Sections 24 through 36 of this chapter.

(2) IC 13-14-9.

(c) After a rule described in subsection (a) has been adopted by the agency, the agency shall submit the rule to the publisher for the assignment of a document control number. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(d) After the document control number has been assigned, the agency shall submit the rule to the secretary of state for filing. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The secretary of state shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(e) Subject to section 39 of this chapter, the secretary of state shall:

(1) accept the rule for filing; and

(2) file stamp and indicate the date and time that the rule is accepted on every duplicate original copy submitted.

(f) A rule described in subsection (a) takes effect on the latest of the following dates:

(1) The effective date of the statute delegating authority to the agency to adopt the rule.

(2) The date and time that the rule is accepted for filing under subsection (e).

(3) The effective date stated by the adopting agency in the rule.

(4) The date of compliance with every requirement established by law as a prerequisite to the adoption or effectiveness of the rule.

(g) Subject to subsection (h), IC 14-10-2-5, IC 14-22-2-6, ~~and IC 22-8-1.1-16.1,~~ **and IC 22-13-2-8(c)**, a rule adopted under this section expires not later than ninety (90) days after the rule is accepted for filing under subsection (e). Except for a rule adopted under subsection (a)(14), the rule may be extended by adopting another rule under this section, but only for one (1) extension period. A rule adopted

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under subsection (a)(14) may be extended for two (2) extension periods. Except for a rule adopted under subsection (a)(14), for a rule adopted under this section to be effective after one (1) extension period, the rule must be adopted under:

- (1) sections 24 through 36 of this chapter; or
- (2) IC 13-14-9;

as applicable.

(h) A rule described in subsection (a)(6), (a)(9), or (a)(13) expires on the earlier of the following dates:

- (1) The expiration date stated by the adopting agency in the rule.
- (2) The date that the rule is amended or repealed by a later rule adopted under sections 24 through 36 of this chapter or this section.

(i) This section may not be used to readopt a rule under IC 4-22-2.5.

SECTION 2. IC 22-12-1-4, AS AMENDED BY P.L.2-2002, SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. (a) "Class 1 structure" means any part of the following:

(1) A building or structure that is intended to be or is occupied or otherwise used in any part by any of the following:

- (A) The public.
- (B) Three (3) or more tenants.
- (C) One (1) or more persons who act as the employees of another.

(2) A site improvement affecting access by persons with physical disabilities to a building or structure described in subdivision (1).

(3) Any class of buildings or structures that the commission determines by rules to affect a building or structure described in subdivision (1), except buildings or structures described in subdivisions (c) through ~~(e)~~: **(f)**.

(b) Subsection (a)(1) includes a structure that contains three (3) or more condominium units (as defined in IC 32-25-2-9) or other units that:

- (1) are intended to be or are used or leased by the owner of the unit; and
- (2) are not completely separated from each other by an unimproved space.

(c) Subsection (a)(1) does not include a building or structure that:

- (1) is intended to be or is used only for an agricultural purpose on the land where it is located; and
- (2) is not used for retail trade or is a stand used for retail sales of farm produce for eight (8) or less consecutive months in a

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calendar year.

(d) Subsection (a)(1) does not include a Class 2 structure.

(e) Subsection (a)(1) does not include a vehicular bridge.

(f) Subsection (a)(1) does not include a structure that is intended to be or is occupied solely to provide periodic maintenance or repair of:

(1) the structure; or

(2) mechanical or electrical equipment located within and affixed to the structure.

SECTION 3. IC 22-12-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 16. "Manufactured home" has the meaning set forth in 42 U.S.C. 5402 as it existed on January 1, ~~1984~~ **2003**.

SECTION 4. IC 22-12-6-3, AS AMENDED BY P.L.3-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3. (a) The statewide fire and building safety education fund is established to provide money to:

(1) local fire and building inspection departments for enrollment in education and training programs approved by the department; ~~and~~

(2) the office of the state building commissioner and the office of the state fire marshal for enrollment in education and training programs approved by the department; and

(3) the office of the state fire marshal department for the sponsoring of training conferences.

(b) The department shall administer the fund. The director of the division of education and information shall distribute money from the fund in accordance with the rules adopted under IC 4-22-2 by the commission.

(c) The fund consists of:

(1) money allocated under section 6(d) of this chapter; and

(2) fees collected under subsection (e).

(d) Money in the fund at the end of a fiscal year does not revert to the state general fund.

(e) ~~The office of the state fire marshal department~~ may charge a fee for a person's participation in a training conference. ~~The office of the state fire marshal department~~ shall deposit the fees collected under this subsection in the fund. ~~The state fire marshal department~~ shall pay all expenses associated with training conferences out of the fund.

SECTION 5. IC 22-12-6-6, AS AMENDED BY P.L.119-2002, SECTION 6, AND AS AMENDED BY P.L.123-2002, SECTION 26, IS CORRECTED AND AMENDED TO READ AS FOLLOWS



[EFFECTIVE JULY 1, 2003]: Sec. 6. (a) The commission may adopt rules under IC 4-22-2 setting a fee schedule for the following:

- (1) Fireworks display permits issued under IC 22-11-14-2.
- (2) Explosives magazine permits issued under ~~IC 22-14-4~~ IC 35-47.5-4.
- (3) Design releases issued under IC 22-15-3.
- (4) Certification of industrialized building systems and mobile structures under IC 22-15-4.
- (5) Inspection of regulated amusement devices under IC 22-15-7.
- (6) Application fees for variance requests under IC 22-13-2-11 and inspection fees for exemptions under IC 22-13-4-5.
- (7) *Permitting and inspection of regulated lifting devices under IC 22-15-5.*
- (8) *Permitting and inspection of regulated boiler and pressure vessels under IC 22-15-6.*
- (9) *Licensing of:*
 - (A) *boiler and pressure vessel inspectors under IC 22-15-6-5; and*
 - (B) ~~an owner or user~~ *a boiler and pressure vessel inspection agency under IC 22-15-6-6.*
- (10) *Licensing of elevator contractors, elevator inspectors, and elevator mechanics under IC 22-15-5-6 through IC 22-15-5-16.*
- (11) Inspection of the installation of manufactured homes under IC 22-15-4-7.**

(b) Fee schedules set under this section must be sufficient to pay all of the costs, direct and indirect, that are payable from the fund into which the fee must be deposited, after deducting other money deposited in the fund. In setting these fee schedules, the commission may consider differences in the degree or complexity of the activity being performed for each fee.

(c) The fee schedule set for design releases issued under subsection (a)(3) may not be changed more than one (1) time each year. The commission may include in this fee schedule a fee for the review of plans and specifications and, if a political subdivision does not have a program to periodically inspect the construction covered by the design release, a fee for inspecting the construction.

(d) The fee schedule set under subsection (a) for design releases may provide that a portion of the fees collected shall be deposited in the statewide fire and building safety education fund established under section 3 of this chapter.

SECTION 6. IC 22-12-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. The appropriate

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person under section 1 of this chapter shall issue the following orders under IC 4-21.5-3-6:

- (1) An order requiring a person to cease and correct any violation of law.
- (2) An order that imposes a sanction described in section 7(4) **or 7(5)** of this chapter or that imposes a requirement under ~~IC 22-14-4-2~~ **IC 35-47.5-4-2**.
- (3) Any other enforcement order.

SECTION 7. IC 22-12-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 7. An order under IC 4-21.5-3-6 or IC 4-21.5-4 may include the following, singly or in combination:

- (1) Require a person who has taken a substantial step toward violating a law or has violated a law to cease and correct the violation.
- (2) Require a person who has control over property that is affected by a violation to take reasonable steps to:
 - (A) protect persons and property from the hazards of the violation; and
 - (B) correct the violation.
- (3) Require persons to leave an area that is affected by a violation and prohibit persons from entering the area until the violation is corrected.
- (4) Impose any of the following sanctions with respect to a permit, registration, certification, release, authorization, variance, exemption, or other license issued by a person described in section 1 of this chapter:
 - (A) Permanently revoke the license.
 - (B) Suspend the license.
 - (C) Censure the person to whom the license is issued.
 - (D) Issue a letter of reprimand to a person to whom the license is issued.
 - (E) Place a person to whom the license is issued on probation.

(5) Impose on a person who has violated a law that may be enforced by the department a civil penalty not to exceed five hundred dollars (\$500) for each day the violation occurs.

SECTION 8. IC 22-13-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 8. (a) The commission shall adopt rules under IC 4-22-2 to create equipment laws applicable to regulated lifting devices.

(b) **Except as provided in subsection (c)**, subject to the approval of the commission, the rules board shall adopt rules under IC 4-22-2 to

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create equipment laws applicable to regulated boilers and pressure vessels.

(c) **Subject to the approval of the commission, the rules board may adopt emergency rules under IC 4-22-2-37.1 only to adopt by reference all or part of the following national boiler and pressure vessel codes:**

(1) **The American Society of Mechanical Engineers Boiler and Pressure Vessel Code.**

(2) **The National Board of Boiler and Pressure Vessel Inspectors Inspection Code.**

(3) **The American Petroleum Institute 510 Pressure Vessel Inspection Code.**

(4) **Any subsequent editions of the codes listed in subdivisions (1) through (3).**

(d) **An emergency rule adopted under subsection (c) expires on the earlier of the following dates:**

(1) **Not more than two (2) years after the emergency rule is accepted for filing with the secretary of state.**

(2) **The date a permanent rule is adopted under IC 4-22-2.**

(e) Subject to the approval of the commission, the regulated amusement device safety board established under IC 22-12-4.5 shall adopt rules under IC 4-22-2 to create equipment laws applicable to regulated amusement devices.

SECTION 9. IC 22-13-2.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3. The commission is not required to comply with section 2 of this chapter if a proposed rule constitutes:

(1) the adoption or incorporation by reference of a federal statute, regulation, or rule that:

(A) is or will be applicable to Indiana; and

(B) contains no amendments that have a substantive effect on the scope or intended application of the federal statute, regulation, or rule;

(2) a technical amendment or revision that makes no substantive change in an existing rule; ~~or~~

(3) a substantive amendment to an existing rule that has the primary and intended purpose of clarifying the existing rule; ~~or~~

(4) an emergency rule adopted under IC 22-13-2-8(c).

SECTION 10. IC 22-15-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. (a) The state building commissioner shall appoint a director to each of the divisions established by section 3 of this chapter. These directors serve at the

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1 pleasure of the state building commissioner.

2 (b) The director of the division of code enforcement must be:

- 3 (1) a registered architect or professional engineer, qualified in the
4 design and construction of Class 1 structures; or
5 (2) qualified by experience in the administration of building laws.

6 (c) The director of the division of plan review must be:

- 7 (1) a registered architect or professional engineer, qualified in the
8 design and construction of Class 1 structures; **or**
9 **(2) qualified by experience in the administration of building**
10 **laws.**

11 (d) The director of the division of elevator safety must have at least
12 ten (10) years experience in the design, construction, repair, or
13 inspection of regulated lifting devices.

14 (e) The director of the division of boiler and pressure vessel safety
15 must:

- 16 (1) be a professional engineer registered under IC 25-31 or pass
17 a written and oral examination given by the office to determine
18 the director's technical and administrative competence;
19 (2) have administrative experience; and
20 (3) pass the examination required under IC 22-15-6-5 for
21 licensure as a boiler and pressure vessel inspector.

22 SECTION 11. IC 22-15-4-7 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 7. (a) For purposes of
24 this section, a reference to 42 U.S.C. 5409 **or 42 U.S.C. 5404** refers to
25 **that section as it those sections as they** existed on January 1, ~~1984~~
26 **2004.**

27 (b) As used in this section, "purchaser" means the first person
28 purchasing a manufactured home in good faith for purposes other than
29 resale.

30 (c) A person who violates 42 U.S.C. 5409, or any ~~rule regulation~~ or
31 final order issued under 42 U.S.C. 5409, ~~commits a Class C infraction.~~
32 **is liable to the department for a civil penalty not to exceed one**
33 **thousand dollars (\$1,000) for each violation.** Each violation of 42
34 U.S.C. 5409, or any ~~rule regulation~~ or final order issued under 42
35 U.S.C. 5409, constitutes a separate violation with respect to:

- 36 (1) each manufactured home; or
37 (2) ~~with respect to~~ each failure or refusal to allow or perform an
38 act required by ~~this chapter~~ **42 U.S.C. 5409** or a ~~rule regulation~~
39 or order issued under ~~this chapter~~ **42 U.S.C. 5409.**

40 However, the maximum judgment imposed under this subsection may
41 not exceed one million dollars (\$1,000,000) for any related series of
42 violations occurring within one (1) year after the date of the first

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violation.

(d) **The department may recover the civil penalty described in subsection (c) in a civil action commenced in any court with jurisdiction.**

(e) **Notwithstanding IC 35-50-3-2, an individual or a director, an officer, or an agent of a corporation who knowingly violates 42 U.S.C. 5409 in a manner that threatens the health or safety of any purchaser commits a Class A misdemeanor and shall be fined not more than one thousand dollars (\$1,000) dollars or imprisoned not more than one (1) year, or both.**

(f) **The department shall establish a program to conduct the inspection of the installation of manufactured homes that meets the requirements of 42 U.S.C. 5404(c)(3)(C).**

(g) **The commission shall adopt standards governing the installation of manufactured homes that meet the requirements of 42 U.S.C. 5404(c)(3)(A).**

SECTION 12. IC 22-15-6-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 0.5. This chapter applies to a regulated boiler and pressure vessel as set forth in rules adopted by the rules board under IC 4-22-2.**

SECTION 13. IC 22-15-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 1. Sections 2 through 3 of this chapter do not apply to any of the following: **regulated boiler or pressure vessel exempted by rule adopted by the rules board under IC 4-22-2.**

(1) Any regulated boiler or pressure vessel located on a farm and used solely for agricultural purposes:

(2) Any steam boiler or water heating boiler:

(A) located in an owner occupied residence; a residential structure with fewer than seven (7) apartments; or a place other than a place of public assembly;

(B) operated for heating purposes at a pressure not exceeding fifteen (15) pounds per square inch gauge; if qualifying as a steam boiler; and operated at a pressure not exceeding thirty (30) pounds per square inch gauge; if qualifying as a water heating boiler; and

(C) having a gross output rating not exceeding two hundred fifteen thousand (215,000) British Thermal Units per hour; if not located in a place of public assembly:

(3) Any pressure vessel:

(A) containing only water under pressure for domestic supply

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1 purposes, including one containing air, if the compressed air
 2 serves only as a cushion or as part of an airlift pumping
 3 system; and

4 (B) located in an owner occupied residence or a residential
 5 structure with less than seven (7) apartments.

6 ~~(4) Any pressure vessel used as an integral part of an electrical~~
 7 ~~circuit breaker.~~

8 SECTION 14. IC 22-15-6-2, AS AMENDED BY P.L.119-2002,
 9 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2003]: Sec. 2. (a) The office shall conduct **the following**
 11 **programs:**

12 (1) A program of periodic inspections of regulated boilers and
 13 pressure vessels.

14 (2) A program to audit:

15 (A) inspection agencies; and

16 (B) the inspections conducted by inspection agencies.

17 (b) The office or a boiler and pressure vessel inspector acting under
 18 section 4 of this chapter shall issue a regulated boiler and pressure
 19 vessel operating permit to an applicant who qualifies under this section.

20 ~~(b) (c)~~ Except as provided in subsection ~~(d)~~, (e), a permit issued
 21 under this section expires one (1) year after it is issued. The permit
 22 terminates if it was issued by an insurance company acting under
 23 section 4 of this chapter and the applicant ceases to insure the boiler or
 24 pressure vessel covered by the permit against loss by explosion with an
 25 insurance company authorized to do business in Indiana.

26 ~~(c)~~ (d) To qualify for a permit **or to renew a permit** under this
 27 section, an applicant must **do the following:**

28 (1) **Demonstrate proof of insurance to the office if required**
 29 **under section 2.5 of this chapter.**

30 (2) Demonstrate through an inspection that the regulated boiler or
 31 pressure vessel covered by the application complies with the rules
 32 adopted by the rules board. ~~and~~

33 ~~(2)~~ (3) Pay the fee set under IC 22-12-6-6(a)(8).

34 (e) **After June 30, 2004, an inspection under subsection (d)(2)**
 35 **shall be conducted as follows:**

36 (1) **An inspection for an initial permit shall be conducted by:**
 37 (A) the office; or

38 (B) an owner or user inspection agency, if the owner or
 39 user is licensed as an inspection agency.

40 (2) **An inspection for a renewal permit shall be conducted by:**

41 (A) an insurance company inspection agency; or

42 (B) an owner or user inspection agency, if the owner or

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1 user is licensed as an inspection agency.

2 (3) An inspection of a boiler pressure vessel owned by the
3 state shall be conducted by the office.

4 (f) The office may issue a temporary operating permit to an
5 applicant under this section who does not comply with subsection
6 (d) if the office determines that it would not be adverse to the
7 public health, safety, or welfare. The applicant must pay the fee set
8 under IC 22-12-6-6(a)(8) to qualify for the temporary operating
9 permit. A temporary operating permit, including all renewal
10 periods, may not be effective for more than ninety (90) days.

11 ~~(d)~~ (g) The rules board may, by rule adopted under IC 4-22-2,
12 specify a period between inspections of more than one (1) year.
13 However, the rules board may not set an inspection period of greater
14 than five (5) years for regulated pressure vessels or steam generating
15 equipment that is an integral part of a continuous processing unit.

16 ~~(e) The office may inspect a device listed under IC 22-12-1-20(b)~~
17 ~~if the owner or operator of the device requests that the office make an~~
18 ~~inspection.~~

19 SECTION 15. IC 22-15-6-2.5 IS ADDED TO THE INDIANA
20 CODE AS A NEW SECTION TO READ AS FOLLOWS
21 [EFFECTIVE JULY 1, 2003]: Sec. 2.5. (a) This section applies after
22 June 30, 2004.

23 (b) This section does not apply to a boiler or pressure vessel that
24 is owned by:

- 25 (1) an owner or a user that is licensed as an owner or user
26 inspection agency; or
- 27 (2) the state.

28 (c) A regulated boiler and pressure vessel operating permit may
29 not be issued under this chapter until the applicant has filed with
30 the office a certificate of insurance that:

- 31 (1) specifically identifies the boiler or pressure vessel that is
32 insured by the insurance policy;
- 33 (2) states the boiler or pressure vessel to be covered by the
34 permit is insured by the insurance policy against loss by
35 explosion; and
- 36 (3) states the insurance policy that insures the boiler or
37 pressure vessel is:
 - 38 (A) in effect; and
 - 39 (B) with an insurer that is authorized to write insurance in
40 Indiana for boiler and pressure vessels.

41 (d) An insurance policy required under this section must
42 provide by the policy's original terms or an endorsement the



following:

(1) The policy may not be:

(A) canceled; or

(B) renewed;

unless written notice by registered or certified mail is given to the other party to the policy and the office not less than thirty (30) days before termination by the party desiring to cancel or not renew the policy. The written notice must contain a detailed report of the reasons for the decision to cancel or not renew the policy.

(2) The insurer shall report to the office that the insurer has paid a claim under the policy not more than twenty-four (24) hours after the insurer pays the claim.

(3) The insurer is responsible for conducting the inspection required by section 2 of this chapter.

(e) If an insurance policy required under this section:

(1) is canceled during the policy's term; or

(2) lapses for any reason;

the permittee shall replace the policy with another policy that complies with this section.

(f) If a permittee fails to file a certificate of insurance for replacement insurance, the permittee:

(1) shall cease all operations under the permit immediately; and

(2) may not conduct further operations until the permittee receives the approval of the office to resume operations after the permittee complies with the requirements of this section.

SECTION 16. IC 22-15-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. (a) As used in this section, **chapter**, "inspection agency" means:

(1) an insurance company ~~engaged in insuring and inspecting regulated boilers and pressure vessels in Indiana; inspection agency~~; or

(2) an owner or user inspection agency; ~~registered~~ **licensed** under section 6 of this chapter.

(b) A boiler and pressure vessel inspector licensed under section 5 of this chapter and employed by an inspection agency may perform any of the following:

(1) An inspection required by section 3 of this chapter.

(2) The issuance of a permit under section 3 of this chapter.

(3) The issuance of an appropriate order under IC 22-12-7 when an equipment law has been violated.

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(c) The authority of an inspector acting under this chapter is limited to enforcement related to regulated boilers or pressure vessels insured, owned, or operated by the inspection agency employing the inspector.

(d) Unless an annual report is substituted under subsection (e), an inspection agency shall, within thirty (30) days after the completion of an inspection, submit to the office the report required by the rules board. **In addition to any other information required by the rules board, the inspector conducting the inspection shall cite on the report any violation of the equipment law applicable to the regulated boiler or pressure vessel.**

(e) In the case of boilers or pressure vessels inspected by an owner or user inspection agency, an annual report filed on or before such annual date as the rules board may prescribe for each report may be substituted. An annual report of owner or user inspection agency must list, by number and abbreviated description necessary for identification, each boiler and pressure vessel inspected during the covered period, the date of the last inspection of each unit, and for each pressure vessel the approximate date for its next inspection under the rules of the rules board. Each annual report of an owner or user inspection must also contain the certificate of a professional engineer registered under IC 25-31 and having supervision over the inspections reported, swearing or affirming under penalty of perjury that each inspection was conducted in conformity with the equipment laws.

(f) An owner or user inspection agency shall pay the fee set under IC 22-12-6 with a report under subsection (e).

(g) In addition to the reports required by subsections (d) and (e), **an owner, a user, or** an inspection agency shall immediately notify the office when ~~the inspection agency has reason to believe that a violation of an equipment law applicable to regulated boilers or pressure vessels has occurred.~~ **an incident occurs to render a boiler or pressure vessel inoperative.**

(h) An inspection agency, **an owner, or a user** that violates this section is subject to a disciplinary action under IC 22-12-7.

SECTION 17. IC 22-15-6-6, AS AMENDED BY P.L.119-2002, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 6. (a) The office shall issue a license to act as:

(1) an owner or user boiler and pressure vessel inspection agency;
or

(2) an insurance company boiler and pressure vessel inspection agency;

to an applicant who qualifies under this section.

(b) A license issued under this section expires if the bond required

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by subsection (c)(3) becomes invalid.

(c) To qualify for a license under this section an applicant must:

(1) submit the name and address of the applicant;

(2) submit proof that inspections will be supervised by one (1) or more professional engineers licensed under IC 25-31 and regularly employed by the applicant, **if the applicant is an owner or a user;**

(3) provide a surety bond issued by a surety qualified to do business in Indiana for ~~five~~ **one hundred** thousand dollars ~~(\$5,000)~~, **(\$100,000)**, made payable to the office and conditioned upon compliance with the equipment laws applicable to inspections and the true accounting for all funds due to the office; and

(4) pay the fee set under IC 22-12-6(a)(9).

(d) ~~☆~~ **An owner or user boiler and pressure vessel inspection agency** licensee under this section shall maintain with the office the most current name and address of the licensee and the name of the professional engineer supervising the licensee's inspections and notify the office of any changes within thirty (30) days after the change occurs. An inspection agency that violates this subsection is subject to a disciplinary action under IC 22-12-7.

(e) The rules board may establish standards for the operation of inspection agencies.

(f) An inspection agency that violates this section is subject to a disciplinary action under IC 22-12-7.

SECTION 18. IC 22-15-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. (a) The commission shall adopt rules under IC 4-22-2 to define appropriate training for a person who inspects regulated amusement devices.

(b) The rules required under this section must, at a minimum, provide the following:

(1) The adoption by reference of: ~~the following ASTM standards:~~

(A) ASTM F 698 (1994 edition) ("Specification for Physical Information to be Provided to Amusement Rides and Devices");

(B) ASTM F 770 (1993 edition) ("Practice for Operation Procedures for Amusement Rides and Devices");

(C) ASTM F 846 (1992 edition) ("Guide for Testing Performance of Amusement Rides and Devices");

(D) ASTM F 853 (1993 edition) ("Practice for Maintenance Procedures for Amusement Rides and Devices");

(E) ASTM F 893 (1987 edition) ("Guide for Inspection of

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Amusement Rides and Devices");

(F) ASTM F 1305 (1994 edition) ("Standard Guides for the Classification of Amusement Ride and Device Related Injuries and Illnesses"); **or**

(G) any subsequent published editions of the ASTM standards described in clauses (A) through (F).

(2) A requirement that inspectors employed or contracted by the office:

(A) have ~~and maintain~~ **obtained** at least a Level 1 certification from the National Association of Amusement Ride Safety Officials and:

(i) maintain this Level 1 certification from the National Association of Amusement Ride Safety Officials; or

(ii) participate in a training program established by the department that ensures that inspectors receive ongoing training; and

(B) conduct inspections that conform to the rules of the commission.

(3) A requirement that regulated amusement devices be operated and maintained in accordance with the rules of the commission.

SECTION 19. IC 22-12-1-20 IS REPEALED [EFFECTIVE JULY 1, 2003].

SECTION 20. [EFFECTIVE JULY 1, 2003] (a) As used in IC 22-12, "regulated boiler or pressure vessel" refers to any part of a boiler or pressure vessel not described in subsection (b).

(b) The term does not include any of the following:

(1) Water heaters commonly known as domestic water heaters having a size and heat input that does not exceed that specified by the rules board.

(2) Pressure vessels other than nuclear vessels operated entirely full of water or other liquid that the rules board specifically finds to be not materially more hazardous than water, if the temperature of the vessel's contents does not exceed one hundred eighty (180) degrees Fahrenheit.

(3) Boilers and pressure vessels under federal regulation.

(4) Pressure vessels meeting the requirements of the Interstate Commerce Commission for shipment of liquids or gases under pressure.

(5) Air tanks located on vehicles operating under the rules of other state authorities and that are also used for carrying passengers or freight.

(6) Air tanks installed on the right-of-way of railroads and

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used directly in the operation of trains.

(7) Pressure vessels that were installed before July 1, 1971, and that have a volume of:

(A) fifteen (15) cubic feet or less if located in a place other than a place of public assembly; and

(B) five (5) cubic feet or less if located in a place of public assembly.

(8) Pressure vessels, other than nuclear vessels that were installed after June 30, 1971, and that have a volume of:

(A) fifteen (15) cubic feet or less, if adequately protected by pressure relieving devices set to function at three hundred (300) pounds per square inch or less and located in a place other than a place of public assembly;

(B) five (5) cubic feet or less if adequately protected by pressure relieving devices set to function at two hundred fifty (250) pounds per square inch or less and located in a place of public assembly; or

(C) one and one-half (1 1/2) cubic feet or less regardless of pressure or location, unless otherwise covered by IC 22-12.

(9) Pressure vessels, other than nuclear vessels protected by adequate pressure relieving devices, set to function at not over fifteen (15) pounds per square inch gauge.

(10) Pressure vessels containing liquefied petroleum gases and regulated by the commission.

(11) Surgical sterilizers, coffee urns, and steam jacketed food cookers that do not exceed size limits specified by the rules board.

(12) Commercial toy boilers and miniature model boilers constructed as a hobby that do not exceed a size specified by the board.

(13) Pressure vessels containing anhydrous ammonia, used in transportation, distribution, or use storage of the product as a liquid fertilizer, and for which a general scheme of construction, installation, and safety requirements has been adopted by statute or rule of another state agency. This exemption does not apply to vessels in refineries or in manufacturing or processing plants.

(14) Nuclear vessels for the collection and disposal of nuclear waste from a nuclear energy system that are not subject to pressures greater than would prevail if they were vented to the atmosphere.

(15) Standard and miniature traction engine boilers and other

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1 boilers used solely for exhibition purposes.

2 (16) A locomotive boiler used only on a railway that is used as
3 a tourist attraction.

4 (c) This SECTION expires upon the earlier of the following
5 dates:

6 (1) The date the boiler and pressure vessel rules board adopts
7 rules creating a definition of "regulated boiler or pressure
8 vessel".

9 (2) January 1, 2005.

10 SECTION 21. [EFFECTIVE JULY 1, 2003] (a) Notwithstanding
11 IC 22-15-6, IC 22-15-6-2 through IC 22-15-6-3 do not apply to any
12 of the following:

13 (1) Any regulated boiler or pressure vessel located on a farm
14 and used solely for agricultural purposes.

15 (2) Any steam boiler or water heating boiler:

16 (A) located in an owner occupied residence, a residential
17 structure with fewer than seven (7) apartments, or a place
18 other than a place of public assembly;

19 (B) operated for heating purposes at a pressure not
20 exceeding fifteen (15) pounds per square inch gauge, if
21 qualifying as a steam boiler, and operated at a pressure not
22 exceeding thirty (30) pounds per square inch gauge, if
23 qualifying as a water heating boiler; and

24 (C) having a gross output rating not exceeding two
25 hundred fifteen thousand (215,000) British Thermal Units
26 per hour, if not located in a place of public assembly.

27 (3) Any pressure vessel:

28 (A) containing only water under pressure for domestic
29 supply purposes, including one containing air, if the
30 compressed air serves only as a cushion or as part of an
31 airlift pumping system; and

32 (B) located in an owner occupied residence or a residential
33 structure with less than seven (7) apartments.

34 (4) Any pressure vessel used as an integral part of an
35 electrical circuit breaker.

36 (b) This SECTION expires on the earlier of the following dates:

37 (1) The date the boiler and pressure rules board adopts rules
38 under IC 4-22-2 exempting some regulated boilers and
39 pressure vessels from IC 22-15-6-2 and IC 22-15-6-3.

40 (2) January 1, 2005.

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